

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1007 be amended to read as follows:

- 1 Page 3, between lines 40 and 41, begin a new paragraph and insert:
2 "SECTION 2. IC 6-1.1-4-4, AS AMENDED BY P.L.228-2005,
3 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: Sec. 4. (a) A general reassessment, involving a
5 physical inspection of all real property in Indiana, shall begin July 1,
6 2000, and be the basis for taxes payable in 2003.
7 (b) A general reassessment, involving a physical inspection of all
8 real property in Indiana, shall begin July 1, 2009, and each fifth year
9 thereafter. Each reassessment under this subsection:
10 (1) shall be completed on or before March 1, of the year that
11 succeeds by two (2) years the year in which the general
12 reassessment begins; ~~and~~
13 (2) shall be the basis for taxes payable in the year following the
14 year in which the general assessment is to be completed; **and**
15 **(3) does not apply to the determination of the assessed value**
16 **of real property for which the assessed value is determined**
17 **under section 4.6(b) of this chapter.**
18 (c) In order to ensure that assessing officials and members of each
19 county property tax assessment board of appeals are prepared for a
20 general reassessment of real property, the department of local
21 government finance shall give adequate advance notice of the general
22 reassessment to the county and township taxing officials of each
23 county.
24 SECTION 3. IC 6-1.1-4-4.5, AS AMENDED BY P.L.228-2005,

SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. (a) The department of local government finance shall adopt rules establishing a system for annually adjusting the assessed value of real property to account for changes in value in those years since a general reassessment of property last took effect.

(b) Subject to subsection (e) **and section 4.6 of this chapter**, the system must be applied to adjust assessed values beginning with the 2006 assessment date and each year thereafter that is not a year in which a reassessment becomes effective.

(c) The rules adopted under subsection (a) must include the following characteristics in the system:

(1) Promote uniform and equal assessment of real property within and across classifications.

(2) Require that assessing officials:

(A) reevaluate the factors that affect value;

(B) express the interactions of those factors mathematically;

(C) use mass appraisal techniques to estimate updated property values within statistical measures of accuracy; and

(D) provide notice to taxpayers of an assessment increase that results from the application of annual adjustments.

(3) Prescribe procedures that permit the application of the adjustment percentages in an efficient manner by assessing officials.

(d) The department of local government finance must review and certify each annual adjustment determined under this section.

(e) In making the annual determination of the base rate to satisfy the requirement for an annual adjustment under subsection (a), the department of local government finance shall determine the base rate using the methodology reflected in Table 2-18 of Book 1, Chapter 2 of the department of local government finance's Real Property Assessment Guidelines (as in effect on January 1, 2005), except that the department shall adjust the methodology to use a six (6) year rolling average instead of a four (4) year rolling average.

SECTION 4. IC 6-1.1-4-4.6 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4.6. (a) Except as provided under IC 6-1.1-4-12.6, IC 6-1.1-4-13, and IC 6-1.1-4-14, the assessed value for real property is determined under this section for assessment dates after February 29, 2008.**

(b) Subject to subsection (e), if ownership of real property changes:

(1) after an assessment date; and

(2) before the immediately succeeding assessment date for which the assessed value is determined;

the assessed value of the real property for the immediately succeeding assessment date is the price of the real property

1 required to be disclosed under IC 6-1.1-5.5-5(a)(13). This
 2 subsection applies regardless of whether the immediately
 3 succeeding assessment date for which the assessed value is
 4 determined is an assessment date for which a general reassessment
 5 of real property takes effect under section 4 of this chapter.

6 (c) The assessed value of real property is determined under
 7 subsection (d) for an assessment date that is not an assessment
 8 date:

9 (1) for which the assessed value of the real property is
 10 determined under subsection (b); or

11 (2) for which a general reassessment of real property takes
 12 effect under section 4 of this chapter.

13 (d) Subject to subsection (e), the assessed value of real property
 14 for purposes of subsection (c) is the lesser of the following:

15 (1) The assessed value determined by applying the annual
 16 adjustment under section 4.5 of this chapter to the assessed
 17 value of the homestead for the immediately preceding
 18 assessment date.

19 (2) The assessed value determined by increasing the assessed
 20 value of the real property for the immediately preceding
 21 assessment date by the percentage change in the Consumer
 22 Price Index for All Urban Consumers, U.S. City Average, all
 23 items 1967 equals 100, or a successor report, for the
 24 immediately preceding calendar year as initially reported by
 25 the United States Department of Labor, Bureau of Labor
 26 Statistics.

27 (e) The assessed value determination for real property must
 28 take into account changes to the physical characteristics of the real
 29 property that occur after:

30 (1) the date of change of ownership for purposes of subsection
 31 (b); or

32 (2) the immediately preceding assessment date for purposes
 33 of subsection (d);

34 and before the assessment date for which the assessed value is
 35 determined."

36 Renumber all SECTIONS consecutively.

(Reference is to HB 1007 as printed February 8, 2007.)

Representative Stutzman